

CIP EXPENSE DETAIL

CONTACT DEPARTMENT(S):

Austin Water Utility

SUBJECT. Authorize negotiation and execution of an interlocal agreement with the cities of Round Rock, Leander, and Cedar Park concerning the capacity, operation, maintenance, and improvements to the Southwest Interceptor of the Brushy Creek Regional Wastewater System in an amount not to exceed \$1,700,000 for the City's share of funding.

CURRENT YEAR IMPACT:

Department:	Austin Water Utility
Project Name:	Brushy Creek Ww Impr-Sw Intercpt-Lc Intercpt
Fund/Department/Unit:	4570 2307 4706
Funding Source:	Commercial Paper
Current Appropriation:	1,700,000.00
Unencumbered Balance:	1,700,000.00
Amount of This Action:	(1,700,000.00)
Remaining Balance:	<u>0.00</u>
Total Amount of this Action	<u><u>1,700,000.00</u></u>

ANALYSIS / ADDITIONAL INFORMATION: The Brushy Creek Regional Wastewater System ("Brushy Creek System") is a wastewater system located in southern Williamson County. The cities of Austin, Round Rock, Leander, and Cedar Park jointly purchased, in 2009, the Brushy Creek System from the Lower Colorado River Authority and each city is a customer of the Brushy Creek System. The Brazos River Authority operates and maintains the Brushy Creek System for the cities. The Brushy Creek System uses two wastewater treatment plants (combined capacity of 24.8 MGD) to treat wastewater within a defined area mostly consisting of the Brushy Creek watershed. Austin has approximately 3,200 retail wastewater connections, all located within the Desired Development Zone, and which discharge into the Brushy Creek System (mostly comprising the Avery Ranch subdivision).

The Southwest Interceptor portion of the Brushy Creek System is only used by the cities of Austin and Round Rock, for receiving and transporting a portion of wastewater generated within each city's respective Service Area. The cities of Austin and Round Rock share ownership interests in the Southwest Interceptor. Contractually, Austin has a 44% (2,017 LUEs) share of the wastewater capacity in the Southwest Interceptor and Round Rock has the remainder. Approximately half of Austin's share of the wastewater capacity (900 LUEs) is currently committed for service. Austin collects all of its standard retail fees and charges including capital recovery fees.

Round Rock's current demand, along with bottlenecks, deterioration of certain pipe segments, and Austin and Round Rock's future growth projections necessitates replacement and upsizing portions of the Southwest Interceptor. The total wastewater improvements costs are estimated at \$5,100,000.00. Austin and Round Rock will proportionally share the costs based upon each city's ownership interest for the year 2050 population projections within each pipe segment. Austin projects a total of 4,232 LUEs or approximately 33% of the total wastewater capacity.

Staff is seeking approval of Austin's share of the funding up to \$1,700,000.00 to replace and upsize portions of the Southwest Interceptor for Austin's future growth. The funding for these expenses is included in the Austin Water Utility's Fiscal Year 2013-2014 Capital Budget.